

## Dealers

### Selling New Motor Vehicles

#### Requirements

Dealers selling new motor vehicles must be franchised with the manufacturer to sell each particular make of new motor vehicle. The dealer must submit a copy of the franchise agreement(s) with the dealer's application for registration as a motor vehicle dealer. If the dealer enters into additional franchise agreement(s) during the year, copies of the agreement(s) must be immediately filed with the Driver & Vehicle Services Bureau, P. O. Box 43, Jefferson City, Missouri 65105.

Manufacturers of motor vehicles must issue franchise agreements to the dealers authorized to sell their makes of motor vehicles. The manufacturer must supply a Manufacturer's Statement of Origin for each vehicle/vehicle body manufactured. A dealer should contact the Federal Department of Transportation for questions regarding the assignment of vehicle identification numbers. The telephone number is (202) 366-5305 or 1-800-424-9393.

#### Restrictions

When a dealer is listed as the purchaser on the Manufacturer's Statement of Origin for a vehicle he or she is not franchised to sell, the transaction is deemed a first sale of the vehicle. A non-franchised dealer cannot transfer ownership on the Manufacturer's Statement of Origin. In this situation, the dealer must apply for a Missouri title in the dealership's name and pay the appropriate title fee. The vehicle is then deemed a **used** vehicle. It is unlawful for any dealer to hold forth, offer for sale, advertise or sell such a motor vehicle as a **new** motor vehicle. This does not apply to new manufactured homes or trailers. The Driver & Vehicle Services Bureau performs a daily routine computer check to detect violations. Violations of Section 301.568, RSMo could result in the suspension of the dealer's license.

### Dealers Required to Have Proof of Ownership

All dealers must have proof of ownership on all motor vehicles or trailers in their possession. Proof of ownership must be maintained at the licensed dealership location for the inspection of appropriate law enforcement officials.

## Duplicate Manufacturer's Statement of Origin

Proof of ownership may be in the form of:

1. A Manufacturer's Statement of Origin or certificate of ownership properly assigned to the dealer;
2. A copy (front and back) of the certificate of ownership or Manufacturer's Statement of Origin properly assigned to the dealer;
3. A descriptive bill of sale indicating the year, make and identification number of the vehicle and the dealer as purchaser; or
4. An auto auction invoice/receipt indicating the year, make and identification number of the vehicle and the dealer as purchaser.

Sometimes it is necessary for a dealership to apply for a duplicate Manufacturer's Statement of Origin. Some manufacturers do not issue a duplicate Manufacturer's Statement of Origin once the original has been assigned and delivered to a retail customer. Instead, the manufacturer furnishes a statement to the selling dealer certifying the vehicle was sold to the dealership.

The manufacturer's statement will be accepted in lieu of a duplicate Manufacturer's Statement of Origin. The selling dealer should complete a *Reassignment of Ownership by Registered Dealer* (DOR-2447A) and attach it to the statement. These two documents will serve as proof of ownership and proper odometer disclosure for the title applicant.

## Title in Dealership's Name When Original is Lost

### OBTAINING TITLE IN DEALERSHIP'S NAME WHEN A CUSTOMER LOSES THE ORIGINAL ASSIGNED TITLE

When a customer purchases a unit from a dealer and loses the original assigned title, the Department of Revenue will allow the selling dealer to apply for an **original** title by submitting the following documents:

1. Appropriate application for **original** title in the selling dealership's name;
2. A **photocopy** of the **front and back** of the original title **assigned to the dealer with a reassignment to the customer**;
3. An affidavit (DOR-768 may be used) signed by the new owner (customer) stating that the original title was lost, stolen or mutilated; and
4. The appropriate title fee.

## Reassignment of Ownership by a Registered Dealer Forms (Riders)

A secure rider (*Reassignment of Ownership by Registered Dealer* (DOR-2447A)) may be used by a registered Missouri motor vehicle dealer to make one reassignment of ownership of a motor vehicle or trailer in addition to the reassignments contained on the back of a Manufacturer's Statement of Origin or certificate of ownership when all existing reassignment spaces have been used.

The *Reassignment of Ownership by Registered Dealer* (DOR-2447A) riders issued by the Department of Revenue may only be used by a Missouri dealer. These forms can be used with a Missouri certificate of ownership, Manufacturer's Statement of Origin or an out-of-state certificate of ownership. Only one secure rider may be used with each transaction. The secure riders cannot be attached to a Missouri salvage certificate of ownership.

The *Reassignment of Ownership by Licensed Dealer* (DOR-2447A) riders are issued in books of 25, free of charge. Riders may be obtained by calling (573) 751-4469, E-mail or by submitting a written request indicating the following:

1. Dealership name;
2. Dealer license number; and
3. Quantity of books requested.

Submit E-mail request to:

**dealerlic@mail.dor.state.mo.us**

Submit written requests to:

Special Registration Desk  
Missouri Department of Revenue  
Driver & Vehicle Services Bureau  
P.O. Box 43  
Jefferson City, Missouri 65105-0043

### Completing the Rider

All riders must be completed in full. In the purchaser(s) and seller(s) name blocks, **one** purchaser and **all** sellers **must physically hand print their names**. The dealer must print the name of the dealership, agent's name and their position in the company when the dealer is the purchaser or seller. One purchaser and all sellers must also sign the form in the designated areas.

## License Plates - 30 Day Transfer Allowed

The buyer of a newly purchased motor vehicle or trailer may attach the license plates from his or her motor vehicle or trailer that is being sold or traded to the newly acquired motor vehicle or trailer. This transfer is legal for only 30 days. After that time, the buyer must legally transfer the plates and pay the \$2 transfer fee. The buyer may transfer the license plates only if the vehicle acquired is of the same vehicle category as the vehicle being replaced, i.e., passenger plates may not be displayed on a commercial motor vehicle.

## Temporary Permits

Section 301.140, RSMo permits the Department of Revenue to issue temporary permits to vehicle purchasers. This permit authorizes a purchaser to operate a motor vehicle or an empty trailer for a period of **30 days** from the date of purchase of the motor vehicle/trailer. Only individuals who have no registration plate(s) available for transfer may purchase the permits. If the applicant has a plate(s) to transfer, he or she must properly title and register the vehicle and cannot purchase temporary permits.

A dealer:

1. May not issue a temporary permit on a motor vehicle owned by the dealership for leasing/rental purposes;
2. May charge no more than \$7.50 for each permit issued; and
3. May transfer/sell any unissued temporary permits remaining in the dealer's inventory at the time the dealership is sold to the purchasing dealer. The seller must notify the Driver & Vehicle Services Bureau in writing of such fact, including the control number of each temporary permit that was transferred.

### Documents/Fee Required to Obtain Temporary Permits

Licensed motor vehicle dealers may purchase temporary permits in books from the Central Office in Jefferson City only. Each book contains 10 permits. The dealer may purchase temporary permits in person at the Central Office. The dealer may also submit a written request for the permits or complete a *SPECIAL PERMITS APPLICATION* (DOR-1275). The dealer must include a check or money order in the amount of \$75 for each book.

**NOTE:** If a Motor Vehicle Title Service is submitting a request for temporary permits on behalf of a dealer, the Driver & Vehicle Services Bureau will not release temporary permits without written authorization from an authorized employee of the dealership.

The Driver & Vehicle Services Bureau will use reasonable diligence to be sure the number of temporary permits requested by a dealer is proportionate to the number of sales previously reported on the dealer's monthly sales reports. In cases of discrepancy, the Driver & Vehicle Services Bureau may reduce or deny the number of permits provided to the dealer.

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For an applicant to purchase a temporary permit from the selling dealer, the following must be submitted to the dealer:

1. A vehicle safety inspection and emissions inspection certificate issued not more than 60 days before the sale of the permit. The dealer must record the complete motor vehicle inspection certificate number on the temporary permit record;

NOTE: The safety or emissions inspections are not required for motor vehicles sold on a Manufacturer's Statement of Origin.

2. A \$7.50 permit fee.

### **What is the Buyer's Responsibility?**

**Temporary permits are not transferable or renewable.** The temporary permit shall be displayed only on the vehicle for which it was issued. They are not valid upon the issuance of proper registration plates for the motor vehicle or trailer. The purchaser must sign the permit in ink.

### **What is the Dealer's Responsibility?**

The dealer may sell one permit to a buyer of a vehicle for which no license plates are available for transfer. The dealer must record the following on the permit issued by the dealership: the dealer's number; the buyer's name and address; the year, make and vehicle identification number; and the dates of issuance and expiration. Each book of permits provides a separate form in the front of the book to record the buyer's name, address, vehicle description and dates of issuance and expiration for each permit. The dealer must complete this form at the time the permit is issued. These records will be kept for inspection by the appropriate officers as defined in Section 301.564, RSMo. The dealer must also record the number of the temporary permits issued in the appropriate column on the dealers monthly sales report, except for temporary permits issued for courtesy delivery vehicles.

NOTE: If the permit is issued pursuant to a courtesy delivery arrangement, the dealer issuing the permit must record the words "COURTESY DELIVERY" on the corresponding permit and on the permit record within the permit booklet.

## Motor Vehicle Inspection Requirements

*Effective July 1, 2000*, Section 307.350, RSMo allows for a two-year (biennial) safety inspection. Any vehicle manufactured as an even model year vehicle (EMV) must be inspected in each even calendar year and any vehicle manufactured as an odd model year vehicle (OMV) must be inspected in each odd calendar year.

These inspections must be performed by authorized inspection stations regulated by the Missouri State Highway Patrol. An inspection must be performed at the seller's expense before the sale of a motor vehicle. The following types of vehicles are not required to be inspected for registration purposes:

- ▶ New motor vehicles (Manufacturer's Statement of Origin [MSO]) purchased during the model year of the vehicle and the following year. For example: A 2000 vehicle is exempt during 2000 and 2001.
- ▶ Odd model year vehicles with a registration that expires in an even calendar year;
- ▶ Even model year vehicles with a registration that expires in an odd calendar year;
- ▶ Motor vehicles engaged in interstate commerce and registered with the Missouri Highway Reciprocity Commission;
- ▶ Historic motor vehicles;
- ▶ All trailers;
- ▶ Motor vehicles sold for junk, salvage, rebuilding including those sold in "**AS IS**" condition; and
- ▶ Motor vehicles sold from dealer to dealer or sold at public auction.

If the vehicle is purchased for junk, salvage or rebuilding, the purchaser must give the seller an affidavit as prescribed by the Missouri State Highway Patrol. Any questions regarding this information should be directed to the Missouri State Highway Patrol.

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## Rescinded Sales

Section 144.071, RSMo permits a purchaser of a motor vehicle, trailer, vessel (watercraft) or outboard motor who rescinds the sale to receive a full refund of all state and local taxes paid on the purchase price of the unit. The purchaser must return the unit to the seller within 60 days of purchase and receive a refund of the purchase price. **Related titling fees will not be refunded.** To receive a refund of the applicable taxes a purchaser must submit:

1. A *REFUND REQUEST AFFIDAVIT* (DOR-426) completed and signed;
2. The original validated receipt of the application for title;
3. A statement, signed by the purchaser, which outlines the facts surrounding the rescinded sale, including the seller's name, purchase date, the year, make and identification number of the unit and the reason the sale was rescinded;
4. A statement, signed by the seller, which states that the sale was rescinded. The statement must include the date the unit was returned; the reason the sale was rescinded; the amount of purchase price refunded to the purchaser; and whether the dealer or lienholder has possession of the Manufacturer's Statement of Origin or certificate of ownership for the unit; and
5. A descriptive lien release from any lienholder shown. The statement must indicate the lienholder no longer has an interest in the unit and must include the purchaser's name and the year, make, and identification number of the unit.

NOTE: Each claim for refund must be made within one year after the payment of the tax on which the refund is claimed.

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Even though Section 144.071, RSMo authorizes the Department of Revenue to issue a refund on taxes paid on a rescinded sale of a motor vehicle, trailer, vessel (watercraft) or outboard motor, it does not allow the Department to refund any license transfer fee, license fee or other fees which may have been paid in connection with the acquisition of a motor vehicle, trailer, vessel (watercraft) or outboard motor. Effective July 1, 2000, new legislation allows a vehicle owner to surrender the license plate(s) and receive credit for the time remaining towards the purchase of another license plate(s) regardless of the type of license (i.e., passenger, truck or trailer).

### **When Seller Must Apply for Title on a Rescinded Sale**

When a certificate of ownership is assigned to a purchaser and the sale is rescinded, the seller is in possession of a certificate of ownership that is considered mutilated.

1. If the seller named on the face of the title is an individual, that person(s) must apply for a duplicate title in his or her name. The seller must submit statements signed by the purchaser, seller and lienholder, if applicable, acknowledging that a rescinded sale has occurred as outlined in items 3 through 5 on page 10-7, the required title fee and an application for duplicate title.
2. If the certificate of ownership was assigned to a dealer and an assignment of ownership was made by the dealer to the individual who rescinded the sale, the dealer must apply for an original certificate of ownership in the dealership's name. The dealership must submit statements signed by the purchaser, seller and lienholder, if applicable, acknowledging that a rescinded sale has occurred as outlined in the items 3 through 5 on page 10-7, the required title fee and an application for original title.
3. If a certificate of ownership has issued in the name of the purchaser who wants to rescind the sale, the purchaser must properly assign the title to the seller and provide the seller with the appropriate statements rescinding the sale. The seller must then apply for a corrected certificate of ownership in his or her name and pay the appropriate title fee. The seller will be exempt from all use/local taxes if the rescinded sale occurred within 60 days of the date of sale. The application for title should be processed with a "0" in the sales tax block on the application. If more than 60 days has elapsed before the sale is rescinded, the seller must pay all applicable taxes in order to retitle the vehicle.



## Consignment Sales

When a dealer sells a motor vehicle on consignment for an individual they must follow one of the following procedures regarding transferring ownership, issuing Odometer Disclosure Statements and use of dealer plates on the vehicle.

1. The individual can assign the certificate of ownership to the dealer. **The dealer can then demonstrate the vehicle using his or her dealer license plates.** The dealer can assign the certificate of ownership to the purchaser and make a proper odometer disclosure as in any other sale the dealer makes.
2. The individual can give the dealer a copy of the certificate of ownership and written authorization to offer the vehicle for sale. **The dealer cannot use dealer license plates on the vehicle. The dealer must use the plates that the Department of Revenue issued to the owner of the vehicle.** If an accident occurs, the owner of the vehicle, not the dealer, may be held financially responsible. When the actual sale takes place, the owner on the face of the certificate of ownership must assign the title directly to the purchaser and issue an odometer disclosure, if applicable.
3. The individual can give the certificate of ownership and a completed odometer disclosure statement, if applicable, to the dealer. The individual should also give a notarized Power of Attorney to the dealer which authorizes the dealer to assign the title and disclose the mileage to the purchaser on behalf of the seller. **The dealer cannot display dealer license plates on the vehicle.**

## Information for Auctions/Dealers Selling at Auctions

If an auctioneer is conducting business with both buyer and seller present, the seller must assign the title directly to the buyer. The seller must list the purchaser's name in the assignment area. The seller may not leave the purchaser's name blank as this constitutes an open title. The seller must disclose the mileage to the buyer, except on an exempt vehicle. The auctioneer is a bystander as far as federal odometer requirements are concerned. The auctioneer becomes a transferor (seller) if he or she buys a vehicle and later auctions it. As seller, the auctioneer must disclose the mileage. If the auctioneer is acting as consignee for a seller who is not present, the seller must execute a regular Power of Attorney authorizing the auctioneer to make the disclosure.

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If a dealer brings a motor vehicle to an auction, but is not present at the time of sale, the following procedures must be followed:

1. If a conforming title is involved, the seller should leave the purchaser's information blank and give the auction a Power of Attorney and the title document. If a non-conforming title is involved, the seller should complete an *Odometer Disclosure Statement* (DOR-3019) if the seller will not be available to assign the title to the purchaser.
2. A representative of the auction should complete the title assignment on behalf of the seller when the vehicle is sold. The representative should ensure the purchaser signs and records his printed name as purchaser on the odometer disclosure statement, if applicable. If a new conforming title is involved, the purchaser(s) must print and sign their name(s) in the designated areas on the title.
3. The representative of the auction must make/retain a copy of the statement for the seller. In lieu of the seller completing the odometer statement, the auction may complete the statement on behalf of the seller, if the representative is authorized by a Power of Attorney. If the purchaser is not available to sign the *Odometer Disclosure Statement* (DOR-3019) and certificate of ownership, the representative may sign on behalf of the purchaser if authorized by a Power of Attorney. **The representative of the auction cannot sign as buyer and seller for the same transaction.**

The dealer must list the actual purchaser rather than the auto auction as the purchaser of the unit when reporting the sale on the dealer's monthly report.

### **Auctions - Records Required**

Auction companies are required to record the name(s) of the seller(s) and buyer(s), the vehicle identification number, and the odometer reading on the date the auction took possession of the vehicle in the auctioneer's files. They must retain this information for five years. If the auction sells more than five cars within a 12 month period as a transferor (seller) or transferee (buyer), the auction must retain a copy of every disclosure statement that they issue and receive.